

**BILL #** SB 1160

**TITLE:** DUI assessments; DPS equipment; bonuses

**SPONSOR:** Waring

**STATUS:** As Amended by Senate JUD

**REQUESTED BY:** Senate

**PREPARED BY:** Brad Regens/Martin Lorenzo

## **FISCAL ANALYSIS**

### **Description**

SB 1160 creates new assessments charged to individuals convicted of operating vehicles, aircraft and motorized boats while intoxicated. The new assessments range from \$500 per conviction to \$1,500, depending on whether the conviction was for a first offense, second offense, extreme driving under the influence (DUI), or an aggravated DUI offense. As amended, the bill would deposit these monies into the state General Fund and exempt the assessments from any surcharge.

### **Estimated Impact**

The JLBC Staff estimates that SB 1160 will increase DUI assessment revenues by \$7.2 million to \$14.4 million. The upper end of the range assumes no change in DUI offender payment rates. The lower end assumes a 50% reduction in the collection rate. A reduction in the current collection rate is likely given that revenues from the most recent increase in DUI assessments (enacted in 2004) have not met projections. If collection rates decline, recipients of existing DUI fines and assessments would experience a loss in revenue even though total DUI dollar collections may increase. Monies generated by SB 1160 would begin to be collected in FY 2006, however, due to case processing times the annualized collection estimates above may not be realized until FY 2008.

As amended, the bill also contains an unspecified General Fund appropriation to the Department of Public Safety (DPS) in FY 2006 for officer equipment and bonuses. It appears to be the intent of the bill that additional monies received by the state General Fund from SB 1160 be appropriated to DPS. The bill lists an order of expenditure (flak jackets, stun guns and then bonuses) but does not specify how much should be spent on each item. Therefore, actual expenditures will be determined by DPS.

The Administrative Office of the Courts (AOC) does not have a revenue estimate for this bill; however, a report released by the AOC in October 2003 projected that increased DUI penalties ranging from \$500 to \$1,250 would generate between \$9.4 million and \$23.5 million.

### **Analysis**

SB 1160 establishes new assessments ranging from \$500 to \$1,500 for DUI, extreme DUI, and aggravated DUI offenses, which will be deposited in the state General Fund. Based on information provided by the AOC (October 2003 DUI penalty enhancement report), the total number of DUI convictions statewide was 27,442 in FY 2002. Of these offenders, 68.5% (or 18,798) paid their court imposed fine. Assuming a 2.5% annual growth rate in offenders based solely on state population growth, the number of convictions in FY 2005 is estimated to be 29,550.

If enacted, SB 1160 would require these 29,550 offenders to pay an additional assessment ranging from \$500 to \$1,500 depending on whether the conviction was for a first or multiple offense, as well as, if the offense was for an aggravated or extreme DUI. Of these offenders, however, we do not have information on whether the conviction was for a 1<sup>st</sup> or 2<sup>nd</sup> offense, or whether the charge was for an aggravated or extreme DUI offense. Based on anecdotal information, we have assumed that 75% of the convictions are for 1<sup>st</sup> offenses, 15% are for 2<sup>nd</sup> offenses and 10% for all other offenses. Based on the above assumptions, first time convicted offenders would pay additional assessments of approximately \$7.6 million, second time convictions would pay \$3.8 million and all other offenders would pay \$3 million.

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Due to recent increases in DUI fines/assessments, offender payment rates may decline. For first time offenders, DUI fines/assessments would be five times higher under SB 1160 (\$1,250 compared to \$250) than two year ago (prior to SB 1160 and the DUI assessment created by Laws 2003, Chapter 5, 2<sup>nd</sup> Special Session). If collection rates were to drop by 50%, revenues deposited into the General Fund would experience a corresponding reduction.

As amended, the bill also contains an unspecified General Fund appropriation to DPS in FY 2006 for officer equipment and employee bonuses. The bill lists an order of expenditure (flak jackets, stun guns and then bonuses) but does not specify how much should be spent on each item. Therefore, actual expenditures will be determined by DPS. If all monies received by the General Fund from SB 1160 were appropriated to DPS and allocated by the department for employee bonuses, the average bonus for each of DPS' 2,184 employees would range from \$3,300 to \$6,600, including salary and benefit costs.

### **Local Government Impact**

If the new assessments do not change offender payment rates, the JLBC Staff estimates that the bill would have no impact on local governments. If collection rates decline, local governments would experience a reduction in current DUI fine revenues.

2/17/05